

		FOR OFF USE				

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**2005**  
**STATE OF ILLINOIS**  
**DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES**  
**FINANCIAL AND STATISTICAL REPORT FOR**  
**LONG-TERM CARE FACILITIES**  
**(FISCAL YEAR 2005)**

IMPORTANT NOTICE  
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION  
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY  
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE  
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE  
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL  
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM  
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<b>I. IDPH Facility ID Number:</b> <u>0019471</u>		<b>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</b>	
<b>Facility Name:</b> <u>The Arbor</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/05</u> to <u>12/31/05</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.	
<b>Address:</b> <u>535 South Elm St</u> <u>Itasca</u> <u>60143</u> Number City Zip Code		Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.	
<b>County:</b> <u>DuPage</u>		(Signed) _____ (Date) _____	
<b>Telephone Number:</b> <u>(630) 773-9416</u> <b>Fax #</b> <u>(630) 773-9434</u>		(Type or Print Name) _____	
<b>IDPA ID Number:</b> <u>362848501001</u>		(Title) _____	
<b>Date of Initial License for Current Owners:</b> <u>08/06/1975</u>		(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____	
<b>Type of Ownership:</b>		(Print Name and Title) _____	
<input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust <b>IRS Exemption Code</b> _____		(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>	
<input checked="" type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> "Sub-S" Corp. <input type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____		(Telephone) <u>(312) 384-6000</u> <b>Fax #</b> <u>(312) 634-5518</u>	
<input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____		<b>MAIL TO: BUREAU OF HEALTH FINANCE</b> <b>ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES</b> <b>201 S. Grand Avenue East</b> <b>Springfield, IL 62763-0001</b> <b>Phone # (217) 782-1630</b>	
<b>In the event there are further questions about this report, please contact</b> <b>Name:</b> <u>Charles J. Fischer</u> <b>Telephone Number:</b> <u>(312) 634-4580</u> <b>Please send copies of desk review and audit adjustments to address on this page</b>			

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

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Facility Name & ID Number The Arbor# 0019471 Report Period Beginning: 01/01/05 Ending: 12/31/05

## III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,  
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>76</u>	Skilled (SNF)	<u>76</u>	<u>27,740</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>68</u>	Intermediate (ICF)	<u>68</u>	<u>24,820</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>144</u>	TOTALS	<u>144</u>	<u>52,560</u>	7

## B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF			<u>2,289</u>	<u>2,289</u>	8
9	SNF/PED					9
10	ICF	<u>29,642</u>	<u>9,096</u>		<u>38,738</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>29,642</u>	<u>9,096</u>	<u>2,289</u>	<u>41,027</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed  
bed days on line 7, column 4.) 78.06%

SEE ACCOUNTANTS' COMPILATION REPORT

D. How many bed-hold days during this year were paid by the Department?

0 (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.  
(E.g., day care, "meals on wheels", outpatient therapy)Meals on Wheels

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or  
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been  
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location

Date started 08/06/1975

J. Was the facility purchased or leased after January 1, 1978?

YES ☐

Date \_\_\_\_\_

NO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified

14

and days of care provided

2,211Medicare Intermediary AdminaStar Federal

## IV. ACCOUNTING BASIS

ACCRUAL ☒

MODIFIED

CASH\* ☐CASH\* ☐

Is your fiscal year identical to your tax year

YES ☒NO ☐Tax Year: 12/31/2005Fiscal Year: 12/31/2005

\* All facilities other than governmental must report on the accrual basis

## STATE OF ILLINOIS

Page 3

Facility Name &amp; ID Number

The Arbor

# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7 **	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	<b>A. General Services</b>										
1	Dietary	232,187	31,937	9,598	273,722		273,722		273,722		1
2	Food Purchase		219,694		219,694		219,694		219,694		2
3	Housekeeping		11,033	247,931	258,964		258,964		258,964		3
4	Laundry		3,177		3,177		3,177		3,177		4
5	Heat and Other Utilities			108,796	108,796		108,796		108,796		5
6	Maintenance		12,741	43,407	56,148		56,148		56,148		6
7	Other (specify):*										7
8	<b>TOTAL General Services</b>	232,187	278,582	409,732	920,501		920,501		920,501		8
	<b>B. Health Care and Programs</b>										
9	Medical Director			5,400	5,400		5,400		5,400		9
10	Nursing and Medical Records	1,867,424	120,129	181,676	2,169,229		2,169,229		2,169,229		10
10a	Therapy			206,913	206,913		206,913		206,913		10a
11	Activities	94,299	3,600	1,456	99,355		99,355		99,355		11
12	Social Services	41,153		1,881	43,034		43,034		43,034		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	<b>TOTAL Health Care and Programs</b>	2,002,876	123,729	397,326	2,523,931		2,523,931		2,523,931		16
	<b>C. General Administration</b>										
17	Administrative	164,181			164,181		164,181		164,181		17
18	Directors Fees			30,000	30,000		30,000		30,000		18
19	Professional Services			55,359	55,359		55,359	(350)	55,009		19
20	Dues, Fees, Subscriptions & Promotion			26,097	26,097		26,097	(1,341)	24,756		20
21	Clerical & General Office Expense	83,382	23,674	18,158	125,214		125,214	(627)	124,587		21
22	Employee Benefits & Payroll Taxes			336,874	336,874		336,874		336,874		22
23	Inservice Training & Education			1,230	1,230		1,230		1,230		23
24	Travel and Seminars										24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			93,702	93,702		93,702		93,702		26
27	Other (specify):*										27
28	<b>TOTAL General Administration</b>	247,563	23,674	561,420	832,657		832,657	(2,318)	830,339		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	2,482,626	425,985	1,368,478	4,277,089		4,277,089	(2,318)	4,274,771		29

\*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number      The Arbor

#0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7 **	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>D. Ownership</b>											
30	Depreciation			12,185	12,185		12,185	96,226	108,411			30
31	Amortization of Pre-Op. & Org											31
32	Interest			25,249	25,249		25,249	294,658	319,907			32
33	Real Estate Taxes							62,255	62,255			33
34	Rent-Facility & Grounds			735,840	735,840		735,840	(735,840)				34
35	Rent-Equipment & Vehicle			7,378	7,378		7,378		7,378			35
36	Other (specify): <sup>3</sup> <b>MIP Insurance</b>							29,528	29,528			36
37	<b>TOTAL Ownership</b>			780,652	780,652		780,652	(253,173)	527,479			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation											38
39	Ancillary Service Center:		98,437		98,437		98,437		98,437			39
40	Barber and Beauty Shops			4,075	4,075		4,075		4,075			40
41	Coffee and Gift Shop:											41
42	Provider Participation Fee			78,840	78,840		78,840		78,840			42
43	Other (specify): <sup>3</sup> <b>Nonallowable Cost</b>			44,777	44,777		44,777	(44,777)				43
44	<b>TOTAL Special Cost Centers</b>		98,437	127,692	226,129		226,129	(44,777)	181,352			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	2,482,626	524,422	2,276,822	5,283,870		5,283,870	(300,268)	4,983,602			45

\*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

\*\*See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7  
 In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Program				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Room				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(10,707)	30		9
10	Interest and Other Investment Income	(34)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(838)	43		13
14	Non-Care Related Interest	(11,500)	32		14
15	Non-Care Related Owner's Transaction				15
16	Personal Expenses (Including Transportation				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment	(3,526)	43		19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainer				22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(21,951)	43		24
25	Fund Raising, Advertising and Promotiona	(13,045)	43		25
26	Income Taxes and Illinois Persona				26
27	Property Replacement Tax				27
28	CNA Training for Non-Employee				28
29	Yellow Page Advertising				29
29	Other-Attach Schedule See Attachment 5A	(437,075)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (498,676)		\$	30

OHF USE ONLY							
48		49		50		51	52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below. (See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule	\$		31
32	Donated Goods-Attach Schedule			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	198,408		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 198,408		36
37	(sum of SUBTOTALS (A) and (B) )	\$ (300,268)		37

\*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport		x	\$		38
39						39
40	Gift and Coffee Shop		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

The Arbor

Provider #: 0019471

01/01/05 to 12/31/05

Schedule 5A

VI. Adjustment Detail

Line 29 - Other

Non-allowable expenses	Amount	Reference
To disallow PAC contributions	(1,041)	20
To disallow part A lab expense	(2,794)	43
Offset miscellaneous income	(897)	21
To disallow vending machine expense	(3,668)	43
To disallow non-allowable dues	(300)	20
To disallow X-Ray - Part A	1,235	43
To disallow State Replacement Tax	(190)	43
To disallow Franchise Tax	(250)	43
To reclass legal fee's	(350)	19
To disallow loss on early extinguishment of de	(428,820)	32
TOTAL <u>(\$437,075)</u>		

SEE ACCOUNTANTS' COMPILATION REPORT

The Arbor

ID# 0019471

Report Period Beginning: 01/01/05

Ending: 12/31/05

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

## Summary A

12/31/05

[illegible]



## Summary B

12/31/05

[illegible]

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning: 01/01/05 Ending: 12/31/05

## VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
John Florina, Sr.	30.00%			Itasca Shelter Care, L.L.C.	Itasca	Lessor
John Florina, Jr.	10.00%					
Duane Jacobson	30.00%					
Charles Ricci	30.00%					

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	21	Bank Charges	\$	Itasca Shelter Care, L.L.C.	100.00%	\$ 270	\$ 270	1
2	V	30	Depreciation		Itasca Shelter Care, L.L.C.	100.00%	106,933	106,933	2
3	V	32	Interest		Itasca Shelter Care, L.L.C.	100.00%	740,231	740,231	3
4	V	32	Interest income		Itasca Shelter Care, L.L.C.	100.00%	(5,219)	(5,219)	4
5	V	33	Real estate taxes		Itasca Shelter Care, L.L.C.	100.00%	62,255	62,255	5
6	V	34	Rental income	735,840	Itasca Shelter Care, L.L.C.	100.00%		(735,840)	6
7	V	36	MIP Insurance		Itasca Shelter Care, L.L.C.	100.00%	29,528	29,528	7
8	V	43	Franchise Tax		Itasca Shelter Care, L.L.C.	100.00%	250	250	8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$ 735,840			\$ 934,248	\$ * 198,408	14

\* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number      The Arbor      #      0019471      Report Period Beginning:      01/01/05      Ending:      12/31/05

## VII. RELATED PARTIES (continued)

## C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

**NOTE: ALL owners ( even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.**

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	John Florina Jr	Admin/Asst. Admin	Administration	10.00	None	40	100.00	Salary	\$ 93,668	L17, C1	1
2	Duane Jacobson	Owner	Board	30.00	None	8	20.00	Director fees	10,000	L18, C3	2
3	Charles Ricci	Owner	Board	30.00	None	8	20.00	Director fees	10,000	L18, C3	3
4	John Florina, Sr	Owner	Board	30.00	None	8	20.00	Director fees	10,000	L18, C3	4
5	Elizabeth Florina	Admin Asst.	Clerical	0.00	None	8	20.00	Wage	3,906	L21, C1	5
6	Daniel Florina	Contractor	Snow removal	0.00	None	Varied	Varied	Contract	1,125	L6, C3	6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 128,699		13

\* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

\*\* This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Arbor# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☐ NO ☒

Name of Related Organization \_\_\_\_\_

Street Address \_\_\_\_\_

City / State / Zip Code \_\_\_\_\_

Phone Number ( \_\_\_\_\_)

Fax Number ( \_\_\_\_\_)

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2  Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4  Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9	N/A								9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Arbor# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	Cambridge		x	Mortgage	\$28,440.00	03/1/2005	\$ 5,089,300	\$ 5,055,213	3/1/2040	0.0583	\$ 314,715	1
2												2
3												3
4												4
5												5
	Working Capital											
6	Bloomington Bank & Trust		x	Line of credit	int. only	04/11/03	250,000	90,000	on demand	0.0725	12,464	6
7	Shareholder loans	x		Working capital	none	12/31/03	230,000	230,000	on demand	0.0500	11,500	7
8	Itasca Bank & Trust		X	Line of Credit	int. only	4/11/04	225,000		04/11/2005	0.0550	1,285	8
9	TOTAL Facility Related				\$28,440.00		\$ 5,794,300	\$ 5,375,213			\$ 339,964	9
	B. Non-Facility Related*											
10								Amortization of mortgage costs			1,021	10
11								Nonallowable shareholder interest			(11,500)	11
12								Interest income offset			(5,253)	12
13								Amortization of mortgage premium			(4,325)	13
14	TOTAL Non-Facility Related						\$	\$			\$ (20,057)	14
15	TOTALS (line 9+line14)						\$ 5,794,300	\$ 5,375,213			\$ 319,907	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 29,528 Line # 36

\* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7  
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

\*\* If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.  
(See instructions.)

Facility Name & ID Number **The Arbor**# **0019471** Report Period Beginning: **01/01/05** Ending: **12/31/05****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

1. Real Estate Tax accrual used on 2004 report.		<b>Important</b> , please see the next worksheet, "RE_Tax". The real estate tax statement and t must accompany the cost report	\$	<b>57,300</b>	1																			
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		2004	\$	<b>58,955</b>	2																			
3. Under or (over) accrual (line 2 minus line 1).			\$	<b>1,655</b>	3																			
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	<b>60,600</b>	4																			
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>			\$		5																			
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. <b>TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>			\$		6																			
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru			\$	<b>62,255</b>	7																			
Real Estate Tax History:																								
Real Estate Tax Bill for Calendar Year:		2000	<b>53,167</b>	8	<table border="1"> <tr> <th colspan="3">FOR OHF USE ONLY</th> </tr> <tr> <td>13</td> <td>FROM R. E. TAX STATEMENT FOR 2004</td> <td>\$</td> <td>13</td> </tr> <tr> <td>14</td> <td>PLUS APPEAL COST FROM LINE 5</td> <td>\$</td> <td>14</td> </tr> <tr> <td>15</td> <td>LESS REFUND FROM LINE 6</td> <td>\$</td> <td>15</td> </tr> <tr> <td>16</td> <td>AMOUNT TO USE FOR RATE CALCULATION</td> <td>\$</td> <td>16</td> </tr> </table>	FOR OHF USE ONLY			13	FROM R. E. TAX STATEMENT FOR 2004	\$	13	14	PLUS APPEAL COST FROM LINE 5	\$	14	15	LESS REFUND FROM LINE 6	\$	15	16	AMOUNT TO USE FOR RATE CALCULATION	\$	16
FOR OHF USE ONLY																								
13	FROM R. E. TAX STATEMENT FOR 2004	\$	13																					
14	PLUS APPEAL COST FROM LINE 5	\$	14																					
15	LESS REFUND FROM LINE 6	\$	15																					
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16																					
	2001	<b>54,297</b>	9																					
	2002	<b>57,779</b>	10																					
	2003	<b>57,334</b>	11																					
	2004	<b>58,955</b>	12																					
<b>2003 Taxes Paid \$57,334</b>																								
<b>2004 Taxes Paid \$58,955</b>																								
<b>% Increase 2.8%</b>																								
<b>Real Estate Taxes accrual \$60,606 use \$60,600</b>																								

**NOTES:**

1. Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.  
**This denial must be no more than four years old at the time the cost report is filed**

SEE ACCOUNTANTS' COMPILATION REPORT

**IMPORTANT NOTICE**

**TO:** Long Term Care Facilities with Real Estate Tax Rates    **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

**Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed.** If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

FACILITY NAME	<u>The Arbor</u>	COUNTY	<u>DuPage</u>
FACILITY IDPH LICENSE NUMBER	<u>0019471</u>		
CONTACT PERSON REGARDING THIS REPORT	<u>John Florina, Jr.</u>		
TELEPHONE ( 630 ) 773-9416		FAX #: ( 630 ) 773-9434	

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

### B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services?

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

Page 10A

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 46,391 B. General Construction Type: Exterior Brick Frame Wood Number of Stories TwoC. Does the Operating Entity? ☐ (a) Own the Facility ☒ (b) Rent from a Related Organization ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions)

D. Does the Operating Entity? ☒ (a) Own the Equipment ☒ (b) Rent equipment from a Related Organization ☒ (c) Rent equipment from Completely Unrelated Organization

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

NoneF. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO  
If so, please complete the following:1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized N/A  
3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs)

## XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Patient Care	41,000	1975	\$ 9,559	1
2	Patient Care	44,336	1992	10,446	2
3	TOTALS	85,336		\$ 20,005	3

SEE ACCOUNTANTS' COMPILATION REPORT



Facility Name &amp; ID Number    The Arbor

#    0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

**XI. OWNERSHIP COSTS (continued)****B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	68	1975	1975	\$ 271,012	\$	40	\$ 6,775	\$ 6,775	\$ 206,947
5		1975	1975	187,817		25			187,817
6		1975	1975	113,922		20			113,922
7		1975	1975	20,747		10			20,747
8	76	1993	1993	2,533,506		40	62,937	62,937	802,855
<b>Improvement Type**</b>									
9	Building Improvements		1976	7,019		25			7,019
10	Building Improvements		1976	10,352		40	259	259	7,635
11	Building Improvements		1976	2,620		36	73	73	1,934
12	Building Improvements		1976	243		10			243
13	Building Improvements		1976	608		4			608
14	Building Improvements		1987	5,847		20			5,847
15	Building Improvements		1988	32,894		35	940	940	16,136
16	Building Improvements		1991	32,267		35	922	922	13,369
17	Building Improvements		1993	168,024		40	4,201	4,201	52,510
18	Building Improvements		1993	21,405		40	535	535	6,680
19	Building Improvements		1987	12,923	410	35	369	(41)	6,831
20	Building Improvements		1988	6,270	199	35	179	(20)	3,223
21	Building Improvements		1990	21,197	674	35	605	(69)	9,391
22	Building Improvements		1991	986	31	35	28	(3)	407
23	Building Improvements		1992	7,503	238	35	214	(24)	2,890
24	Building Improvements		1993	12,681	325	40	317	(8)	3,963
25	Building Improvements		1994	3,100	79	40	78	(1)	894
26	Building Improvements		1994	11,175	287	40	279	(8)	3,210
27	Building Improvements		1995	15,605	1,168	10	1,170	2	15,605
28	Cabinets		1996	2,768	89	31	89		846
29	Electrical Fixtures		1996	4,972	160	31	160		1,480
30	Cabinets		1996	3,097	100	31	100		908
31	Building Improvements		1984	12,774		10			12,774
32	Building Improvements		1985	7,314		10			7,314
33	Building Improvements		1986	4,044		8			4,044
34	Building Improvements		1986	1,379		8			1,379
35									
36									

\*Total beds on this schedule must agree with page 2.

\*\*Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

## XI. OWNERSHIP COSTS (continued)

## B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Front Door Security System	1997	\$ 6,230	\$ 201	31	\$ 201	\$	\$ 1,708	37
38	Concrete Pads for Washers	1997	4,430	143	31	143		1,203	38
39	Carpeting	1997	7,271	235	31	235		1,899	39
40	Complete Communications-Nurse Calling System	1998	4,543	147	31	147		1,066	40
41	New Door Opening	1999	1,798	58	31	58		401	41
42	Window Replacement	2000	4,801	155	31	155		788	42
43	Roof	2001	3,665	118	31	118		551	43
44	Hot Water Heater	2001	2,891	93	31	93		426	44
45	Hot Water Heater	2002	885	29	31	29		113	45
46	Landscape Improvements (sidewalks/walkways	2002	925	29	31	29		99	46
47	Driveway	2004	2,432	78	31	78		111	47
48	Water Heaters	2005	3,429	92	31	92		92	48
49	Air Conditioners	2005	1,654	18	31	18		18	49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 3,581,025	\$ 5,156		\$ 81,626	\$ 76,470	\$ 1,527,903	70

SEE ACCOUNTANTS' COMPILATION REPORT

\*\*Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name &amp; ID Number: The Arbor

# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## XI. OWNERSHIP COSTS (continued)

## C. Equipment Depreciation-Excluding Transportation. (See instruction

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 461,434	\$ 5,289	\$ 15,801	\$ 10,512	5-10	\$ 423,767	71
72	Current Year Purchases	29,834	1,740	1,740		10	1,740	72
73	Fully Depreciated Assets	175,987					175,987	73
74								74
75	TOTALS	\$ 667,255	\$ 7,029	\$ 17,541	\$ 10,512		\$ 601,494	75

## D. Vehicle Depreciation (See instructions.)\*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Patient Care	2001 Chevrolet Bus	2001	\$ 46,219	\$	\$ 9,244	\$ 9,244	5	\$ 41,597	76
77										77
78										78
79										79
80	TOTALS			\$ 46,219	\$	\$ 9,244	\$ 9,244		\$ 41,597	80

## E. Summary of Care-Related Asset

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 4,353,107	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 12,185	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 108,411	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 96,226	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,170,994	85

## F. Depreciable Non-Care Assets Included in General Ledger. (See instructions

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

## G. Construction-in-Progres

	Description	Cost	
92	Building Improvement	\$ 38,603	92
93			93
94			94
95		\$ 38,603	95

\* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

SEE ACCOUNTANTS' COMPILATION REPORT

\*\* This must agree with Schedule V line 30, column f

**XII. RENTAL COSTS**

**A. Building and Fixed Equipment (See instructions)**

1. Name of Party Holding Lease Itasca Shelter Care L.L.C. - See page 6

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column

If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option <sup>d</sup>	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	<b>TOTAL</b>				\$			7

\*\*

8. List separately any amortization of lease expense included on page 4, line 3.

This amount was calculated by dividing the total amount to be amortized by the length of the lease                     .

9. Option to Buy: ☐ YES ☐ NO Terms:                                     \*

**B. Equipment-Excluding Transportation and Fixed Equipment. (See instruction)**

15. Is Movable equipment rental included in building rental

☐ YES ☒ NO

16. Rental Amount for movable equipment: NONE

Description: N/A

(Attach a schedule detailing the breakdown of movable equipment)

**C. Vehicle Rental (See instructions.)**

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>Administrative</u>	<u>2002 Suburban</u>	\$ <u>662.00</u>	\$ <u>662</u>	17
18	<u>Administrative</u>	<u>2005 Cadillac</u>	<u>671.61</u>	<u>6,716</u>	18
19					19
20					20
21	<b>TOTAL</b>		\$ <u>1,333.61</u>	\$ <u>7,378</u>	21

10. Effective dates of current rental agreement:

Beginning                     

Ending                     

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending      Annual Rent

12.                      /2006 \$                     

13.                      /2007 \$                     

14.                      /2008 \$                     

\* If there is an option to buy the building please provide complete details on attached schedule.

\*\* This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES      <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA <input type="text"/></p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA <input type="text"/></p>
---	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wage (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities:

\$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit.  
(b) Include wages paid during the clinical portion of training. Do not include fringe benefit.  
(c) For in-house training programs only. Do not include fringe benefit.  
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.  
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.  
SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	5,296	\$ 88,808	\$	5,296	\$ 88,808	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		733	12,148		733	12,148	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		6,264	105,957		6,264	105,957	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescripts				98,437		98,437	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10	Academic Education		hrs							10
11	Exceptional Care Program									11
12										12
13	Other (specify):									13
14	TOTAL			\$	12,293	\$ 206,913	\$ 98,437	12,293	\$ 305,350	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed  
 Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed  
 on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 17

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning: 01/01/05

Ending:

12/31/05

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/05

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 6,669	\$ 98,355	1
2	Cash-Patient Deposits			2
	Accounts & Short-Term Notes Receivable-			
3	Patients (less allowance 65,000 )	1,364,645	1,364,645	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	64,848	64,848	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Schedule 17a		215,246	9
	<b>TOTAL Current Assets</b>			
10	(sum of lines 1 thru 9)	\$ 1,436,162	\$ 1,743,094	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		20,005	13
14	Buildings, at Historical Cost		3,039,771	14
15	Leasehold Improvements, at Historical Cost	132,316	541,254	15
16	Equipment, at Historical Cost	379,750	713,474	16
17	Accumulated Depreciation (book methods)	(370,802)	(2,170,994)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
	Accumulated Amortization -			
20	Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (sp. See Schedule 17a	38,603	73,313	22
23	Other(specify): Deferred Costs-Apts.		1,272	23
	<b>TOTAL Long-Term Assets</b>			
24	(sum of lines 11 thru 23)	\$ 179,867	\$ 2,218,095	24
	<b>TOTAL ASSETS</b>			
25	(sum of lines 10 and 24)	\$ 1,616,029	\$ 3,961,189	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 253,920	\$ 217,351	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	15,000	15,000	28
29	Short-Term Notes Payable	320,000	320,000	29
30	Accrued Salaries Payable	48,964	48,964	30
	Accrued Taxes Payable			
31	(excluding real estate taxes)	1,942	1,942	31
32	Accrued Real Estate Taxes(Sch.IX-B)		60,600	32
33	Accrued Interest Payable	34,650	206,247	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	See Schedule 17a	300,536	67,616	36
37				37
	<b>TOTAL Current Liabilities</b>			
38	(sum of lines 26 thru 37)	\$ 975,012	\$ 937,720	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable			39
40	Mortgage Payable		5,055,213	40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43				43
44				44
	<b>TOTAL Long-Term Liabilities</b>			
45	(sum of lines 39 thru 44)	\$	\$ 5,055,213	45
	<b>TOTAL LIABILITIES</b>			
46	(sum of lines 38 and 45)	\$ 975,012	\$ 5,992,933	46
47	<b>TOTAL EQUITY</b> (page 18, line 24)	\$ 641,017	\$ (2,031,744)	47
	<b>TOTAL LIABILITIES AND EQUITY</b>			
48	(sum of lines 46 and 47)	\$ 1,616,029	\$ 3,961,189	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

The Arbor of Itasca, Inc.  
Provider #0019471  
12/31/2005

**Schedule 17A**

**XV. Balance Sheet**

**Line 9 - Other Current Assets**

	<u>Operating</u>	<u>After Consolidation</u>
Mortgage Escrow	<u>-</u>	<u>\$ 215,246</u>
	<u>-</u>	<u>\$ 215,246</u>

**Line 22 - Other Long-Term Assets**

	<u>Operating</u>	<u>After Consolidation</u>
Construction in Progress	38,603	\$ 38,603
Unamortized Mortgage Costs	<u>-</u>	<u>\$ 34,710</u>
	<u>38,603</u>	<u>\$ 73,313</u>

**Line 36 - Other Current Liabilities**

	<u>Operating</u>	<u>After Consolidation</u>
Rent Payables	232,920	
Due to Third Party Payor	<u>67,616</u>	<u>\$ 67,616</u>
	<u>300,536</u>	<u>\$ 67,616</u>

**SEE ACCOUNTANTS' COMPILATION REPORT**



**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1</b> <b>Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	<b>\$ 563,277</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>			<b>3</b>
<b>4</b>			<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	<b>\$ 563,277</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>77,740</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	( )	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	<b>\$ 77,740</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	<b>\$</b>	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	<b>\$ 641,017</b>	<b>24 *</b>

Operating Entity Only

\* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 19

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning: 01/01/05

Ending: 12/31/05

**XVII. INCOME STATEMENT** (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached

**Note:** This schedule should show gross revenue and expenses. Do not net revenue against expenses

1			
	Revenue	Amount	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 5,160,020	1
2	Discounts and Allowances for all Levels	(346,378)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 4,813,642	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	356,266	6
7	Oxygen		7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 356,266	8
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	5,896	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	89,293	17
18	Sale of Supplies to Non-Patient		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	90,293	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 185,482	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income**	34	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 34	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<b>Miscellaneous Income</b>	1,247	28
28a	<b>Vending Machine Income</b>	4,939	28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 6,186	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 5,361,610	30

2			
	Expenses	Amount	
<b>A. Operating Expenses</b>			
31	General Services	920,501	31
32	Health Care	2,523,931	32
33	General Administration	832,657	33
<b>B. Capital Expense</b>			
34	Ownership	780,652	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	147,289	35
36	Provider Participation Fee	78,840	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 5,283,870	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	77,740	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ 77,740	43

\* This must agree with page 4, line 45, column 4.

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

\*\*\* See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

\*\*\*\* Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning: 01/01/05

Ending:

12/31/05

## XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	2,068	2,032	\$ 64,419	\$ 31.70	1
2	Assistant Director of Nursing	1,982	2,008	56,917	28.35	2
3	Registered Nurses	17,688	17,744	401,258	22.61	3
4	Licensed Practical Nurses	10,801	10,896	294,547	27.03	4
5	CNAs & Orderlies	72,852	73,084	1,000,137	13.68	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	2,299	2,080	32,118	15.44	9
10	Activity Assistants	7,006	7,030	62,181	8.85	10
11	Social Service Worker	2,111	2,056	41,153	20.02	11
12	Dietician					12
13	Food Service Supervisor	2,292	2,080	40,586	19.51	13
14	Head Cook	6,430	6,470	78,941	12.20	14
15	Cook Helpers/Assistants	14,320	14,335	112,660	7.86	15
16	Dishwashers					16
17	Maintenance Worker					17
18	Housekeepers					18
19	Laundry					19
20	Administrator	2,331	2,040	70,513	34.57	20
21	Assistant Administrator	2,433	2,080	93,668	45.03	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	5,074	5,101	83,382	16.35	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care <b>RCC</b>	2,049	1,970	50,146	25.45	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	151,736	151,006	\$ 2,482,626 *	\$ 16.44	34

\* This total must agree with page 4, column 1, line 45.

\*\* See instructions.

## B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	227	\$ 9,598	L1, C3	35
36	Medical Director	125	5,400	L9, C3	36
37	Medical Records Consultant	19	1,045	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	100	1,351	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	28	1,456	L11, C3	44
45	Social Service Consultant	33	1,881	L12, C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	532	\$ 20,731		49

## C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	1,018	\$ 53,725	L10, C3	50
51	Licensed Practical Nurses	3,328	125,555	L10, C3	51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	4,346	\$ 179,280		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning: 01/01/05

Ending: 12/31/05

## XIX. SUPPORT SCHEDULES

A. Administrative Salaries:		Ownership	Amount	D. Employee Benefits and Payroll Taxes		Amount	F. Dues, Fees, Subscriptions and Promotions	
Name	Function	%		Description			Description	Amount
John Florina Jr	Admin/Asst. Admin	10%	\$ 93,668	Workers' Compensation Insurance	\$ 60,303		IDPH License Fee	\$ 1,990
Thomas Annarella	Administrator	0%	70,513	Unemployment Compensation Insurance	19,014		Advertising: Employee Recruitment	5,714
				FICA Taxes	189,042		Health Care Worker Background Check	
				Employee Health Insurance	58,601		(Indicate # of checks performed 105 )	1,050
				Employee Meals			Illinois Health Care Association Dues	7,949
				Illinois Municipal Retirement Fund (IMRF)*			Miscellaneous Subscriptions	530
				Other Employee Benefits	9,914		Miscellaneous Dues	182
							Miscellaneous Licenses	2,305
							Miscellaneous Inspections	296
							IDPH Construction License	4,740
							Less: Public Relations Expense	( )
							Non-allowable advertising	( )
							Yellow page advertising	( )
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 164,181				TOTAL (agree to Sch. V, line 20, col. 8)	\$ 24,756
(List each licensed administrator separately.)				TOTAL (agree to Schedule V, line 22, col.8)	\$ 336,874			
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
N/A							Out-of-State Travel	\$ 0
				N/A			In-State Travel	0
TOTAL (agree to Schedule V, line 17, col. 3)			\$					
(Attach a copy of any management service agreement)							Seminar Expense	0
C. Professional Services								
Vendor/Payee	Type		Amount				Entertainment Expense	( 0 )
American Express Tax & Business Services	Accounting		1,197				(agree to Sch. V, line 24, col. 8)	
Achieve Software	Computer services		10,046				TOTAL	\$ 0
Altschuler Melvoin & Glasser	Accounting		25,028					
Porte Brown LLC	U/C Consulting		4,125					
Personnel Planners	U/C Consulting		1,140					
Stratton, Giganti, Stone & Kopec	Legal		12,095					
Accurate Computer Services	Computer services		654					
Ivans	Computer services		499					
Terrence Zimmer	Legal		575					
TOTAL (agree to Schedule V, line 19, column 3)			\$ 55,359	TOTAL		\$		
(If total legal fees exceed \$2500 attach copy of invoices.)								

\* Attach copy of IMRF notifications  
SEE ACCOUNTANTS' COMPILATION REPORT

\*\*See instructions.

**The Arbor**

**Provider #: 0019471**

**01/01/05 to 12/31/05**

**Schedule 21A**

**XIX. SUPPORT SCHEDULE**

**C. Professional Services**

Total (agree to Schedule V, line 19, column 3)	\$55,359
--	----------

Adjustment: Legal fee refund reclassified from miscellaneous income	(\$350)
--	---------

Total (agree to Schedule V, line 19, column 8)	<u>\$55,009</u>
--	-----------------

**SEE ACCOUNTANTS' COMPILATION REPORT**

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).  
 (See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5								N/A					
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number The Arbor

# 0019471

Report Period Beginning:

01/01/05

Ending:

12/31/05

## XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union No
- (2) Are there any dues to nursing home associations included on the cost report Yes  
If YES, give association name and amount Illinois Health Care Association \$7949
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases Yes  
What was the average life used for new equipment added during this period 10 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 66,302 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease N/A
- (9) Are you presently operating under a sublease agreement YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 78,840  
This amount is to be recorded on line 42 of Schedule V
- (12) Are there any salary costs which have been allocated to more than one line on Schedule for an individual employee? No If YES, attach an explanation of the allocation

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services if the patient census listed on page 2, Section B No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ N/A Has any meal income been offset against related costs? N/A Indicate the amount \$ N/A
- (16) Travel and Transportation  
a. Are there costs included for out-of-state travel No  
If YES, attach a complete explanation  
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such program during this reporting period. \$ N/A  
c. What percent of all travel expense relates to transportation of nurses and patients? 0  
d. Have vehicle usage logs been maintained Adequate records have been maintained.  
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No  
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes  
g. Does the facility transport residents to and from day training? No  
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No  
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes  
Attach invoices and a summary of services for all architect and appraisal fee

## RECONCILIATION REPORT

09:55 AM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-300,268	equal to	-300,268	0	FAILED	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	319,907	equal to	319,907	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	62,255	equal to	62,255	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	108,411	equal to	108,411	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	0	equal to	0	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	7,378	equal to	7,378	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages	0	equal to	0	0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	206,913	equal to	206,913	0	FAILED	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	98,437	equal to	98,437	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	920,501	equal to	920,501	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	2,523,931	equal to	2,523,931	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	832,657	equal to	832,657	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	780,652	equal to	780,652	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	147,289	equal to	147,289	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	78,840	equal to	78,840	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	1,817,278	equal to	1,867,424	-50,146	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	94,299	equal to	94,299	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	41,153	equal to	41,153	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	232,187	equal to	232,187	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	0	equal to	0	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	0	equal to	0	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	0	equal to	0	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	164,181	equal to	164,181	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	83,382	equal to	83,382	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	2,482,626	equal to	2,482,626	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	9,598	< or = to	9,598	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	5,400	< or = to	5,400	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	181,676	< or = to	181,676	0	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	1,456	< or = to	1,456	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	1,881	< or = to	1,881	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	164,181	equal to	164,181	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	0	equal to	0	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	55,359	equal to	55,359	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	336,874	equal to	336,874	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	24,756	equal to	24,756	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	0	equal to	0	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	78,840	equal to	78,840	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	N/A	< or = to	0	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	N/A	equal to	0	#VALUE!	#VALUE!	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	2,211	equal to	2,289	-78	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	198,408	equal to	198,408	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	5,375,213	equal to	5,375,213	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	60,600	equal to	60,600	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	20,005	equal to	20,005	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	3,581,025	equal to	3,581,025	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	713,474	equal to	713,474	0	O.K.	Pg13 O22+L13	C. & D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	2,170,994	equal to	2,170,994	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	641,017	equal to	641,017	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	77,740	equal to	77,740	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	1,616,029	equal to	1,616,029	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1



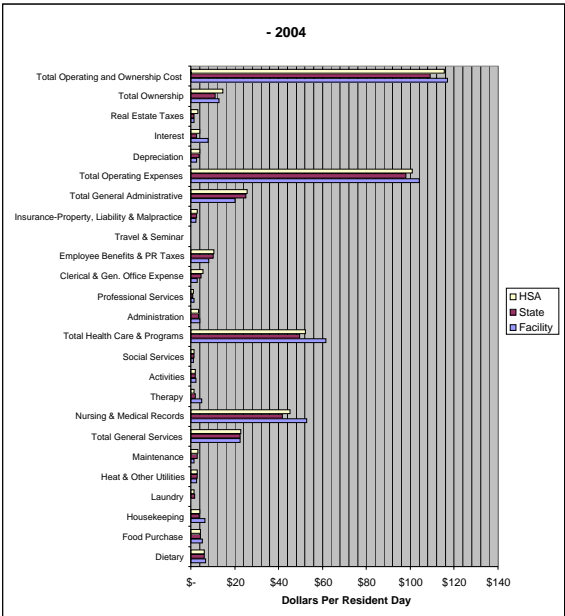
The Arbor  
IDPA Comparative Data - Per Resident Day Cost  
Year Ending 12/31/05

Enter your HSA # in next column  
Census (Pulls from Page 2)

7  
41,027

Cost Report Line	Description	Your Facility	Average Median Cost Per Day			State	HSA	IDPA LTC Profiles	LTC Median Per Diem Cost by HSA - 2003 Cost Reports 2003 (Run June 1, 2004)	UN-INFLATED	10th %	90th %
			State	HSA	HSA							
1	Dietary	6.67	6.01	6.06								
2	Food Purchase	5.35	4.31	4.31								
3	Housekeeping	6.31	3.70	4.05								
4	Laundry	0.08	1.85	1.59								
5	Heat & Other Utilities	2.65	2.95	2.93								
6	Maintenance	1.37	3.01	3.21								
8	Total General Services	22.44	22.58	22.65								
10	Nursing & Medical Records	52.87	41.83	45.12								
10A	Therapy	5.04	2.10	1.45								
11	Activities	2.42	1.91	2.16								
12	Social Services	1.05	1.42	1.60								
16	Total Health Care & Programs	61.52	49.48	52.34								
17	Administration	4.00	3.36	3.46								
19	Professional Services	1.34	0.99	1.12								
21	Clerical & Gen. Office Expense	3.04	4.79	5.56								
22	Employee Benefits & PR Taxes	8.21	10.09	10.51								
24	Travel & Seminar	-	0.08	0.06								
26	Insurance-Property, Liability & Malpractice	2.28	2.58	2.85								
28	Total General Administrative	20.24	24.94	25.81								
29	Total Operating Expenses	104.19	98.06	100.96								
30	Depreciation	2.64	3.70	4.11								
32	Interest	7.80	2.54	4.05								
33	Real Estate Taxes	1.52	1.38	3.20								
37	Total Ownership	12.86	11.11	14.54								
	Total Operating and Ownership Cost	117.05	115.50									

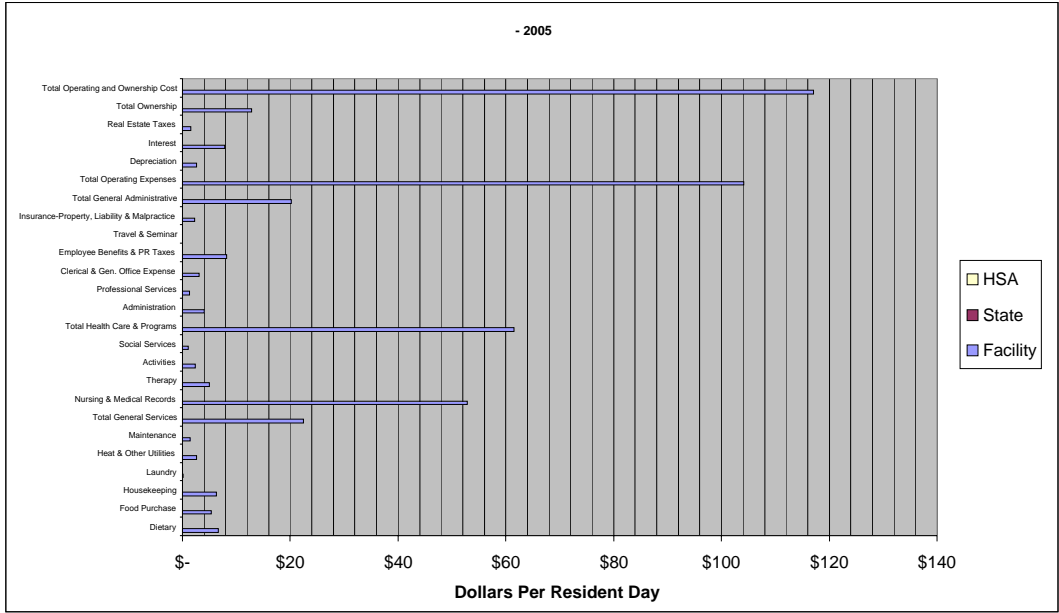
Notes:  
Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.  
The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



Cost Report Line	Description	2005	2004 Median		2004	2004 Median		2003	2003 Median		2002	2002 Median	
		Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA
1	Dietary	6.67	-	-	#DIV/0!	-	-	#DIV/0!	6.10	6.06	#DIV/0!	6.01	5.92
2	Food Purchase	5.35	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.31	#DIV/0!	4.27	4.31
3	Housekeeping	6.31	-	-	#DIV/0!	-	-	#DIV/0!	3.70	4.05	#DIV/0!	3.65	4.13
4	Laundry	0.08	-	-	#DIV/0!	-	-	#DIV/0!	1.85	1.59	#DIV/0!	1.90	1.67
5	Heat & Other Utilities	2.65	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.93	#DIV/0!	2.71	2.67
6	Maintenance	1.37	-	-	#DIV/0!	-	-	#DIV/0!	3.01	3.21	#DIV/0!	2.99	3.16
8	Total General Services	22.44	-	-	#DIV/0!	-	-	#DIV/0!	22.58	22.65	#DIV/0!	22.09	22.71
10	Nursing & Medical Records	52.87	-	-	#DIV/0!	-	-	#DIV/0!	41.83	45.12	#DIV/0!	40.68	43.96
10A	Therapy	5.04	-	-	#DIV/0!	-	-	#DIV/0!	2.10	1.45	#DIV/0!	1.85	1.54
11	Activities	2.42	-	-	#DIV/0!	-	-	#DIV/0!	1.91	2.16	#DIV/0!	1.88	2.23
12	Social Services	1.05	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.60	#DIV/0!	1.44	1.61
16	Total Health Care & Programs	61.52	-	-	#DIV/0!	-	-	#DIV/0!	49.48	52.34	#DIV/0!	47.55	50.57
17	Administration	4.00	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.46	#DIV/0!	3.39	3.39
19	Professional Services	1.34	-	-	#DIV/0!	-	-	#DIV/0!	0.99	1.12	#DIV/0!	0.98	1.05
21	Clerical & Gen. Office Expense	3.04	-	-	#DIV/0!	-	-	#DIV/0!	4.79	5.56	#DIV/0!	4.58	5.75
22	Employee Benefits & PR Taxes	8.21	-	-	#DIV/0!	-	-	#DIV/0!	10.09	10.51	#DIV/0!	9.63	10.26
24	Travel & Seminar	0.00	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.06	#DIV/0!	0.09	0.06
26	Insurance-Property, Liability & Malpractice	2.28	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.85	#DIV/0!	2.19	2.46
28	Total General Administrative	20.24	-	-	#DIV/0!	-	-	#DIV/0!	24.94	25.81	#DIV/0!	23.47	25.17
29	Total Operating Expenses	104.19	-	-	#DIV/0!	-	-	#DIV/0!	98.06	100.96	#DIV/0!	94.39	99.35
30	Depreciation	2.64	-	-	#DIV/0!	-	-	#DIV/0!	3.70	4.11	#DIV/0!	3.53	4.18
32	Interest	7.80	-	-	#DIV/0!	-	-	#DIV/0!	2.54	4.05	#DIV/0!	2.73	4.55
33	Real Estate Taxes	1.52	-	-	#DIV/0!	-	-	#DIV/0!	1.38	3.20	#DIV/0!	1.30	3.17
37	Total Ownership	12.86	-	-	#DIV/0!	-	-	#DIV/0!	11.11	14.54	#DIV/0!	11.44	15.35
	Total Operating and Ownership Cost	117.05	-	-	#DIV/0!	-	-	#DIV/0!	115.50		#DIV/0!	105.83	114.70

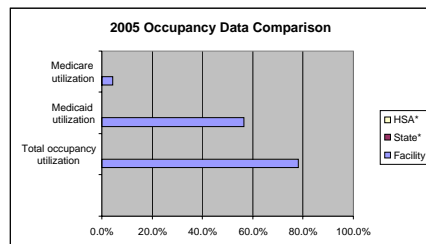
Notes:  
Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day, for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



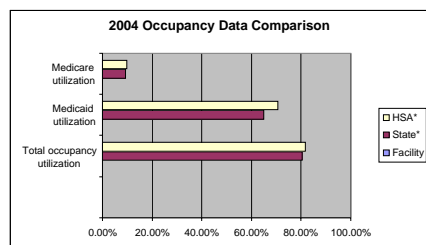
## 2005

Your Facility	State*	HSA*
Total occupancy utilization	78.06%	0.00%
Medicaid utilization	56.40%	0.00%
Medicare utilization	4.36%	0.00%
Private pay percent utilization	17.31%	N/A
Capacity in Patient Days	52,560	N/A
Census days of service provided	41,027	N/A



## 2004

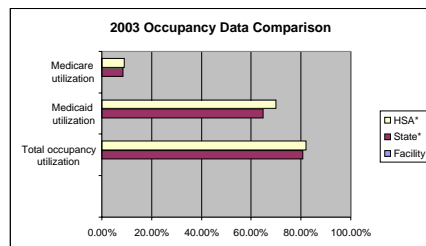
Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.50%
Medicaid utilization	#DIV/0!	65.00%
Medicare utilization	#DIV/0!	9.40%
Private pay percent utilization	#DIV/0!	N/A
Capacity in Patient Days	N/A	N/A
Census days of service provided	N/A	N/A



\* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

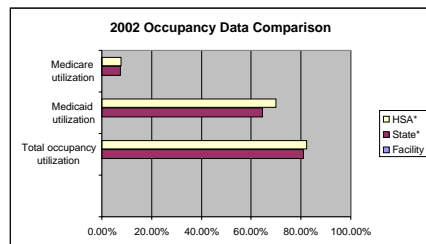
## 2003

Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.80%
Medicaid utilization	#DIV/0!	64.80%
Medicare utilization	#DIV/0!	8.50%
Private pay percent utilization	#DIV/0!	N/A
Capacity in Patient Days	N/A	N/A
Census days of service provided	N/A	N/A

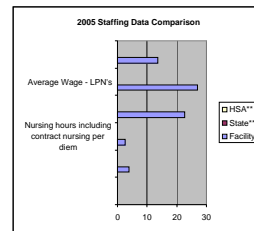


## 2002

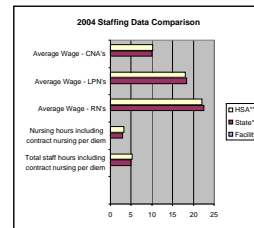
Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.90%
Medicaid utilization	#DIV/0!	64.50%
Medicare utilization	#DIV/0!	7.40%
Private pay percent utilization	#DIV/0!	N/A
Capacity in Patient Days	N/A	N/A
Census days of service provided	N/A	N/A



2005			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	3.79	0.00	0.00
Nursing hours including contract nursing per diem	2.68	0.00	0.00
Average Wage - RN's	22.61	0.00	0.00
Average Wage - LPN's	27.03	0.00	0.00
Average Wage - CNA's	13.68	0.00	0.00

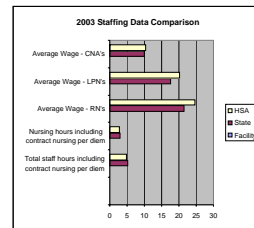


2004			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	5.00	5.30	
Nursing hours including contract nursing per diem	3.00	3.20	
Average Wage - RN's	22.54	22.05	
Average Wage - LPN's	18.40	18.02	
Average Wage - CNA's	10.02	10.13	

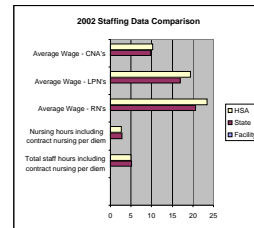


\*\* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

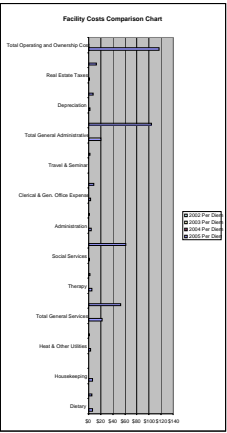
2003			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.10	4.90	
Nursing hours including contract nursing per diem	2.90	2.70	
Average Wage - RN's	21.56	24.55	
Average Wage - LPN's	17.64	20.23	
Average Wage - CNA's	9.91	10.44	



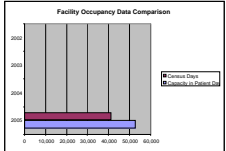
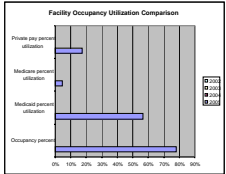
2002			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.20	5.00	
Nursing hours including contract nursing per diem	2.80	2.60	
Average Wage - RN's	20.69	23.49	
Average Wage - LPN's	16.89	19.39	
Average Wage - CNA's	9.73	10.28	



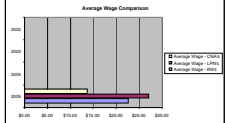
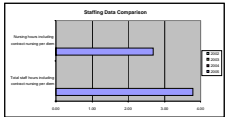
Report Line	Account	Year			
		2005	2004	2003	2002
		Per Bed	Per Bed	Per Bed	Per Bed
1	Electric	6.47	4500/01	4500/01	4500/01
2	Fixed Purchase	5.35	4500/01	4500/01	4500/01
3	Housekeeping	4.34	4500/01	4500/01	4500/01
4	Laundry	4.88	4500/01	4500/01	4500/01
5	Heat & Other Utilities	2.45	4500/01	4500/01	4500/01
6	Maintenance	1.27	4500/01	4500/01	4500/01
8	Total General Services	24.44	4500/01	4500/01	4500/01
10	Nursing & Medical Records	52.67	4500/01	4500/01	4500/01
10A	Therapy	7.04	4500/01	4500/01	4500/01
11	Activities	1.42	4500/01	4500/01	4500/01
12	Social Services	1.05	4500/01	4500/01	4500/01
16	Total Health Care & Programs	68.22	4500/01	4500/01	4500/01
17	Administration	6.80	4500/01	4500/01	4500/01
19	Professional Services	1.34	4500/01	4500/01	4500/01
21	Child & Gen. Office Expense	0.66	4500/01	4500/01	4500/01
22	Employee Benefits & FR Taxes	8.23	4500/01	4500/01	4500/01
24	Travel & Lodging	1.11	4500/01	4500/01	4500/01
26	Insurance-Property, Liability & Malpractice	3.28	4500/01	4500/01	4500/01
26	Total General Administration	18.34	4500/01	4500/01	4500/01
29	Total Operating Expenses	186.19	4500/01	4500/01	4500/01
30	Depreciation	2.68	4500/01	4500/01	4500/01
32	Interest	7.86	4500/01	4500/01	4500/01
33	Real Estate Taxes	1.12	4500/01	4500/01	4500/01
37	Total Ownership	12.86	4500/01	4500/01	4500/01
Total Operating and Ownership Cost		217.05	4500/01	4500/01	4500/01



	Facility 2005	Facility 2004	Facility 2003	Facility 2002
Occupancy percent	76.98%	4500/01	4500/01	4500/01
Medicaid percent utilization	58.40%	4500/01	4500/01	4500/01
Medicare percent utilization	4.36%	4500/01	4500/01	4500/01
Private pay percent utilization	62.21%	4500/01	4500/01	4500/01
Capacity in Patient Days	52,580	0	0	0
Census Days	49,267	0	0	0



	Facility 2005	Facility 2004	Facility 2003	Facility 2002
Total staff hours including contract nursing per day	3.76	0.00	0.00	0.00
Nursing hours including contract nursing per day	2.88	0.00	0.00	0.00
Average Wage - BSN	22.80	0.00	0.00	0.00
Average Wage - LPN	27.00	0.00	0.00	0.00
Average Wage - CNA	13.00	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjustments	Adjusted Total
1. Dietary	232,187	31,937	9,598	273,722	0	273,722	0	273,722
2. Food Purchase	0	219,694	0	219,694	0	219,694	0	219,694
3. Housekeeping	0	11,033	247,931	258,964	0	258,964	0	258,964
4. Laundry	0	3,177	0	3,177	0	3,177	0	3,177
5. Heat and Other Utilities	0	0	108,796	108,796	0	108,796	0	108,796
6. Maintenance	0	12,741	43,407	56,148	0	56,148	0	56,148
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	232,187	278,582	409,732	920,501	0	920,501	0	920,501
9. Medical Director	0	0	5,400	5,400	0	5,400	0	5,400
10. Nursing & Medical Records	1,867,424	120,129	181,676	2,169,229	0	2,169,229	0	2,169,229
10a. Therapy	0	0	206,913	206,913	0	206,913	0	206,913
11. Activities	94,299	3,600	1,456	99,355	0	99,355	0	99,355
12. Social Services	41,153	0	1,881	43,034	0	43,034	0	43,034
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	2,002,876	123,729	397,326	2,523,931	0	2,523,931	0	2,523,931
17. Administrative	164,181	0	0	164,181	0	164,181	0	164,181
18. Directors Fees	0	0	30,000	30,000	0	30,000	0	30,000
19. Professional Services	0	0	55,359	55,359	0	55,359	-350	55,009
20. Fees, Subscriptions & Promotion	0	0	26,097	26,097	0	26,097	-1,341	24,756
21. Clerical & General Office	83,382	23,674	18,158	125,214	0	125,214	-627	124,587
22. Employee Benefits & Payroll	0	0	336,874	336,874	0	336,874	0	336,874
23. Inservice Training & Education	0	0	1,230	1,230	0	1,230	0	1,230
24. Travel and Seminar	0	0	0	0	0	0	0	0
25. Other Admin. Staff Trans	0	0	0	0	0	0	0	0
26. Insurance-Prop.Liab.Malpractice	0	0	93,702	93,702	0	93,702	0	93,702
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	247,563	23,674	561,420	832,657	0	832,657	-2,318	830,339
29. Total General Administrative	2,482,626	425,985	1,368,478	4,277,089	0	4,277,089	-2,318	4,274,771
30. Depreciation	0	0	12,185	12,185	0	12,185	96,226	108,411
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	25,249	25,249	0	25,249	294,658	319,907
33. Real Estate	0	0	0	0	0	0	62,255	62,255
34. Rent - Facility & Grounds	0	0	735,840	735,840	0	735,840	-735,840	0
35. Rent - Equipment & Vehicles	0	0	7,378	7,378	0	7,378	0	7,378
36. Other (specify):*	0	0	0	0	0	0	29,528	29,528
37. Total Ownership	0	0	780,652	780,652	0	780,652	-253,173	527,479
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	98,437	0	98,437	0	98,437	0	98,437
40. Barber and Beauty Shop	0	0	4,075	4,075	0	4,075	0	4,075
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	78,840	78,840	0	78,840	0	78,840
43. Other (specify):*	0	0	44,777	44,777	0	44,777	-44,777	0
44. Total Special Cost Ce	0	98,437	127,692	226,129	0	226,129	-44,777	181,352
45. Grand Total	2,482,626	524,422	2,276,822	5,283,870	0	5,283,870	-300,268	4,983,602

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	6,669	98,355
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	1,364,645	1,364,645
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	64,848	64,848
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	0	215,246
10. Total current assets	1,436,162	1,743,094
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	20,005
14. Buildings, at Historical Cost	0	3,039,771
15. Leasehold Improvements, Historical Cost	132,316	541,254
16. Equipment, at Historical Cost	379,750	713,474
17. Accumulated Depreciation (book methods)	-370,802	-2,170,994
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	38,603	73,313
23. other (specify):	0	1,272
24. Total Long-Term Assets	179,867	2,218,095
25. Total Assets	1,616,029	3,961,189
CURRENT LIABILITIES		
26. Accounts Payable	253,920	217,351
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	15,000	15,000
29. Short-Term Notes Payable	320,000	320,000
30. Accrued Salaries Payable	48,964	48,964
31. Accrued Taxes Payable	1,942	1,942
32. Accrued Real Estate Taxes	0	60,600
33. Accrued Interest Payable	34,650	206,247
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	300,536	67,616
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	975,012	937,720
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	5,055,213
41. Bonds Payable	0	0
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	0
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	0	5,055,213
46. Total Liabilities	975,012	5,992,933
47. Total Equity	428,424	-2,031,744
48. Total Liabilities and Equity	1,403,436	3,961,189

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	5,149,434
2. Discounts and Allowances for all Levels	-346,378
Subtotal - Inpatient Care	4,803,056
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	356,266
7. Oxygen	0
Subtotal - Ancillary Revenue	356,266
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	5,896
14. Non-Patient Meals	0
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	89,293
18. Sale of Supplies to Non-Patients	0
19. Laboratory	0
20. Radiology and X-Ray	0
21. Other Medical Services	90,293
22. Laundry	0
Subtotal - Other Operating Revenue	185,482
24. Contributions	0
25. Interest and Other Investments Income	34
Subtotal - Non-Operating Revenue	34
27. Other Revenue (specify):	1,247
28. Other Revenue (specify):	4,939
Subtotal - Other Revenue	6,186
30. Total Revenue	5,351,024
31. General Services	920,501
32. Health Care	2,523,931
33. General Administration	832,657
34. Ownership	780,652
35. Special Cost Centers	147,289
35. Provider Participation Fee	78,840
37. Other	0
40. Total Expenses	5,283,870
41. Income Before Income Taxes	67,154
42. Income Taxes	0
43. Net Income or Loss for the Year	67,154



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LTC Median Per Diem Cost by HSA - 2005 Cost Reports  
2005 (Run June 1, 2004)

**The Arbor The Arbor**  
**2005 Costs**

2005  
Census

Cost Report	4/1/02
<u>Line</u>	<u>Description</u>
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	<b>TOTAL GENERAL SERVICES</b>
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>
29	<b>TOTAL OPERATING EXPENSES</b>
30	Depreciation
32	Interest
33	Real Estate Taxes
37	<b>TOTAL OWNERSHIP</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>

State-Wide

HSA 1 HSA 2 HSA 3 HSA 4 HSA 5 HSA 6 HSA 7 HSA 8 HSA 9 HSA 10 HSA 11

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11

LTC Median Per Diem Cost by HSA - 2004 Cost Reports  
2004 (Run June 1, 2004)

### The Arbor 2004 Costs

**The  
Arbor  
2004  
Census**

Cost Report	
Line	Description
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	<b>TOTAL GENERAL SERVICES</b>
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>
29	<b>TOTAL OPERATING EXPENSES</b>
30	Depreciation
32	Interest
33	Real Estate Taxes
37	<b>TOTAL OWNERSHIP</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>

State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11
5.00	5.30	5.30	5.30	5.30	5.10	4.80	4.80	4.80	5.10	5.30	5.20
3.00	3.20	3.20	3.30	3.20	3.10	2.80	2.80	2.80	3.10	3.20	3.10
22.54	20.02	20.73	19.72	20.73	17.47	25.72	25.72	25.72	23.44	22.05	20.42
18.4	18.02	17.23	15.24	17.23	13.82	21.06	21.06	21.06	19.09	18.02	17.13
18.64	13.13	10.03	9.32	9.84	10.52	10.52	10.52	10.52	10.53	10.51	9.84
28.97	23.38	25.17	23.86	25.17	22.23	34.39	34.39	34.39	34.39	27.38	25.97
25.23	27.95	21.85	19.41	21.85	19.13	28.74	28.74	28.74	26.68	23.95	23.77

State- Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
80.50%	80.70%	80.40%	78.10%	80.40%	74.40%	81.80%	81.80%	81.80%	82.90%	80.70%	78.20%
65.00%	57.00%	56.70%	58.50%	56.70%	61.80%	70.60%	70.60%	70.60%	64.50%	57.00%	60.60%
9.40%	7.70%	8.90%	9.30%	8.90%	8.80%	9.90%	9.90%	9.90%	10.30%	7.70%	8.90%

IDPA LTC Profiles  
LTC Median Per Diem Cost by HSA - 2003 Cost Reports  
2003 (Run June 1, 2004)

UN-INFLATED

Cost Report	Description	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
Line			1	2	3	4	5	6	7	8	9	10	11	
1	Dietary	6.10	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	
2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	
3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	
4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	
5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	
6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	
8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73	
10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	
10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	
11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	
12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27	
16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49	
17	Administration	3.36	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	3.17	
19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	
21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25	
22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	
24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07	
26	Insurance-Property, liability & Malpractice	2.58	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61	
28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93	
29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71	
30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	
32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	
33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	
37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	8.39	
	TOTAL OPERATING & OWNERSHIP COST	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10	

10th %	90th %
4.13	9.81
3.36	6.04
2.48	5.80
0.91	3.14
2.05	4.25
1.92	5.12
17.57	31.51
27.25	64.47
-	10.55
1.06	3.45
0.58	3.00
32.10	77.23
1.71	7.21
0.07	3.44
2.49	10.78
6.33	19.34
-	0.43
0.88	4.32
16.95	39.14
69.40	142.56
1.01	8.43
-	11.53
-	4.85
3.76	23.58
73.16	166.14

Cost Report	Description	2003 Census
Line		
1	Dietary	4.13
2	Food Purchase	3.36
3	Housekeeping	2.48
4	Laundry	0.91
5	Heat & Other Utilities	2.05
6	Maintenance	1.92
8	TOTAL GENERAL SERVICES	17.57
10	Nursing & Medical Records	27.25
10A	Therapy	-
11	Activities	1.06
12	Social Services	0.58
16	TOTAL HEALTH CARE & PROGRAMS	32.10
17	Administration	1.71
19	Professional Services	0.07
21	Clerical & Gen. Office Expense	2.49
22	Employee Benefits & PR Taxes	6.33
24	Travel & Seminar	-
26	Insurance-Property, liability & Malpractice	0.88
28	TOTAL GENERAL ADMINISTRATIVE	69.40
29	TOTAL OPERATING EXPENSES	100.77
30	Depreciation	1.01
32	Interest	-
33	Real Estate Taxes	-
37	TOTAL OWNERSHIP	3.76
	TOTAL OPERATING & OWNERSHIP COST	110.50

Average Wage Data Table

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11
Total staff hours including contract nurses per diem	5.10	5.30	5.30	5.00	5.30	5.10	4.90	4.90	4.90	5.10	5.30
Nursing hours including contract nurses per diem	2.90	3.20	3.10	3.10	3.10	3.00	2.70	2.70	2.70	3.00	3.10
RN	21.56	21.14	19.99	18.79	19.99	16.66	24.55	24.55	24.55	22.85	20.33
LPN	17.64	17.65	16.41	14.79	16.41	13.36	20.23	20.23	20.23	18.67	16.45
CNA	9.91	10.11	9.89	9.19	9.89	8.28	10.44	10.44	10.44	10.54	9.76
DON	27.82	26.67	24.49	23.07	24.49	20.82	33.29	33.29	33.29	29.65	24.62
ADON	24.39	22.67	21.12	19.67	21.12	18.73	27.45	27.45	27.45	26.14	22.50

2003 - Staffing and Occupancy Data

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11
Average Occupancy	80.80%	80.80%	80.60%	79.90%	80.60%	75.20%	82.00%	82.00%	82.00%	81.60%	77.30%
Medicaid Utilization	64.80%	56.40%	57.70%	59.60%	57.70%	62.80%	70.00%	70.00%	70.00%	64.30%	59.30%
Medicare Utilization	8.50%	7.50%	7.50%	7.70%	7.50%	8.70%	9.10%	9.10%	9.10%	9.30%	8.00%

IDPA LTC Profiles  
LTC Median Per Diem Cost by HSA - 2002 Cost Reports  
2002 (Run June 1, 2004)

UN-INFLATED

Cost Report	State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

Cost Report	State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

2002 - Average Wage Data Table

State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Total staff hours including contract nursing per diem	5.20	5.50	5.40	5.00	5.40	5.10	5.00	5.00	4.90	5.50	5.30	
Nursing hours including contract nurses per diem	2.80	3.10	3.10	3.00	3.10	2.90	2.60	2.60	2.60	3.10	3.00	
RN	20.69	20.12	19.18	18.37	19.18	16.06	23.49	23.49	23.49	21.31	20.12	19.45
LPN	16.89	17.04	15.72	14.33	15.72	12.75	19.39	19.39	19.39	17.96	17.04	15.69
CNA	9.73	10.05	9.65	9.09	9.65	8.08	10.28	10.28	10.28	10.39	10.05	9.62
DON	26.38	24.75	22.98	22.48	22.98	20.02	31.78	31.78	31.78	28.56	24.75	23.68
ADON	23.27	21.44	20.51	18.93	20.51	17.26	26.34	26.34	26.34	24.33	21.44	21.27

2002 - Staffing and Occupancy Data

State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Average Occupancy	80.90%	79.60%	81.90%	80.30%	81.90%	75.30%	82.20%	82.20%	82.20%	82.00%	79.60%	76.60%
Medicaid Utilization	64.50%	55.50%	56.10%	58.50%	56.10%	63.30%	69.90%	69.90%	69.90%	66.70%	55.50%	60.90%
Medicare Utilization	7.40%	6.80%	7.20%	6.10%	7.20%	7.40%	7.70%	7.70%	7.70%	8.20%	6.80%	7.00%